

EXHIBIT 2 DATE 1-13-09 HB 180

January 12, 2009

Bob Lake, Chairman House Taxation Committee Montana House of Representatives PO Box 200400 Helena, MT 59620-0400

Re: HB 180

Dear Chairman Lake and Members of the House Taxation Committee:

On behalf of the Board of Directors of the Missoula Area Economic Development Corporation, I am writing to express our support for HB 180, sponsored by Representative Pomnichohski. The bill would help Montana companies who fail to meet the current requirement that 50 percent of their sales are derived from out of state, but whose customers would otherwise have to purchase products or services from out-of-state suppliers. Companies who meet the revised qualification criterion could locate in a technology district. Without this change, the benefits of a technology district will accrue more to companies that are recruited to come to Montana rather than firms that are already here doing business. One example of such a firm would be Cellular One, formerly Chinook Wireless.

Our organization works closely with Missoula County, which has established a technology district within its existing development park. Passage of HB 180 would make the benefits of the district, such as high-speed redundant fiber, accessible to more Montana companies.

We urge your support for this slight modification to the existing statute.

Sincerely,

Dick King

President/CEO

January 9, 2009

Chairman Lake
House Taxation Committee
Montana House of Representatives
P.O. Box 200400
Helena, MT 59620

Dear Chairman Lake and Members of the House Taxation Committee:

On behalf of the Missoula County Board of Commissioners, I urge you to support HB180 – Montana-based Business Technology Districts. This simple change in the eligibility requirement for tenants in technology tax increment districts will afford the same benefits to Montana-based business as their out-of-state competitors. Current law requires 50% of the revenues of businesses located in technology tax increment districts to come from out-of-state sources. This ensures that the incentives bring new dollars into the state.

However, if a Montana-based business sells goods and services that most likely would otherwise be sold by out-of-state businesses, the economic effect is similar since this activity would prevent dollars from leaving the state. An example is Aquilavision, a Montana-based company who sells GPS tracking services. Most of their current sales are to in-state customers that would otherwise go to out-of-state businesses. Aquilavision would be ineligible for location in the technology district although their sales keep dollars from leaving the state.

I hope that you will consider this simple but effective change in the technology tax increment statutes.

Sincerely,

Dale D. Bickell Chief Administrative Officer Missoula County